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DEPARTMENT OF COMMERCE

Bureau of Industry and Security

15 CFR Part 748

[Docket No. 100205080-0187-01]

RIN: 0694-AE87

Addition to the List of Validated End-Users: Advanced Micro Devices China, Inc.

AGENCY: Bureau of Industry and Security, Commerce.

ACTION: Final rule.

SUMMARY: In this final rule, the Bureau of Industry and Security (BIS) amends the Export Administration Regulations (EAR) to add an end-user to the list of validated end-users in the People's Republic of China (PRC). Exports, reexports and transfers (in-country) of certain items to three facilities of this end-user are now authorized under Authorization Validated End-User (VEU).

DATES: This rule is effective May 10, 2010. Although there is no formal comment period, public comments on this regulation are welcome on a continuing basis.

ADDRESSES: You may submit comments, identified by RIN 0694-AE87, by any of the following methods:

E-mail: publiccomments@bis.doc.gov Include "RIN 0694-AE87" in the subject line of

the message.

Fax: (202) 482-3355. Please alert the Regulatory Policy Division, by calling (202) 482-2440, if you are faxing comments.

Mail or Hand Delivery/Courier: Sheila Quarterman, U.S. Department of Commerce, Bureau of Industry and Security, Regulatory Policy Division, 14th Street & Pennsylvania Avenue, NW, Room 2705, Washington, DC 20230, Attn: RIN 0694-AE87.

Send comments regarding the collection of information associated with this rule, including suggestions for reducing the burden, to Jasmeet Seehra, Office of Management and Budget (OMB), by e-mail to Jasmeet_K._Seehra@omb.eop.gov or by fax to (202) 395-7285.

Comments on this collection of information should be submitted separately from comments on the final rule (i.e., RIN 0694-AE87) - - all comments on the latter should be submitted by one of the three methods outlined above.

FOR FURTHER INFORMATION CONTACT: Susan Kramer, Acting Chairman, End-User Review Committee, Bureau of Industry and Security, U.S. Department of Commerce, 14th Street & Pennsylvania Avenue, NW, Washington, DC 20230; by telephone (202) 482-0117, or by e-mail to skramer@bis.doc.gov.

SUPPLEMENTARY INFORMATION:

Background

Authorization Validated End-User (VEU): The List of Approved End-Users, Eligible Items and Destinations in the People's Republic of China (PRC)

Consistent with U.S. Government policy to facilitate trade for civilian end-users in the PRC, BIS amended the EAR in a final rule on June 19, 2007 (72 FR 33646) by creating a new authorization for "validated end-users" located in eligible destinations to which eligible items may be exported, reexported or transferred under a general authorization instead of an individually validated license, in conformance with Section 748.15 of the EAR. Validated end-users may obtain eligible items that are on the Commerce Control List without having to wait for their suppliers to obtain export or reexport licenses from BIS. Eligible items include commodities, software and technology, except those controlled for missile technology or crime control reasons.

Authorization VEU may be used by U.S. and foreign reexporters, and does not have an expiration date.

Authorization VEU is a mechanism to facilitate increased high-technology exports to companies that have a verifiable record of civilian uses for such items. The validated end-users listed in Supplement No. 7 to Part 748 were reviewed and approved by the U.S. Government in accordance with the provisions of Section 748.15 and Supplement Nos. 8 and 9 to Part 748 of the EAR. Currently, validated end-users may be located in the PRC and India.

Additional Validated End-User in the PRC and Its Respective "Eligible Items (By ECCN)" and

"Eligible Destination"

This final rule amends Supplement No. 7 to Part 748 of the EAR to identify the eligible facilities in the PRC of a company that has been designated a validated end-user, and to identify the items that may be exported, reexported or transferred (in-country) to the specified eligible facilities under Authorization VEU. The names and addresses of the newly approved validated end-user and its three eligible facilities are as follows:

Validated End-User

Advanced Micro Devices China, Inc.

Eligible Destinations

AMD Technologies (China) Co., Ltd

No. 88, Su Tong Road,

Suzhou, China 215021

Advanced Micro Devices (Shanghai) Co., Ltd.

Riverfront Harbor, Building 48,

Zhangjiang Hi-Tech Park

1387 Zhangdong Rd.,

Pudong, Shanghai, 201203

AMD Technology Development (Beijing) Co., Ltd.

18F, North Building
Raycom Infotech Park Tower C,
No. 2 Science Institute South Rd.,
Zhong Guan Cun, Haidian District,
Beijing, China 100190

The eligible items that may be sent to these facilities under Authorization VEU are classified under Export Control Classification Numbers (ECCNs) 3D002, 3D003, 3E001 (as it applies to "technology" for items classified under 3B001, 3B002, 3C002 and 3C004), 3E002, 3E003.e (limited to the "development" and "production" of integrated circuits for commercial applications), 4D001, 4D002, 4D003 and 4E001 (applicable to the "development" of products under ECCN 4A003). This authorization was made based on an application submitted to BIS, which was reviewed by the interagency End-User Review Committee.

Approving this end-user as a validated end-user and these three facilities is expected to further facilitate exports to civilian end-users in the PRC, and is expected to result in a significant savings of time and resources for suppliers and the eligible facilities. Authorization VEU eliminates the burden on exporters and reexporters of preparing individual license applications, because exports, reexports, and transfers (in-country) of eligible items to these facilities may now be made under general authorization instead of under license. Exporters and reexporters may now supply validated end-users much more quickly, thus enhancing the competitiveness of the exporters, reexporters, and end-users in the PRC.

To ensure appropriate facilitation of exports and reexports, on-site reviews of the validated end-users may be warranted pursuant to paragraph 748.15(f)(2) and Section 7(iv) of Supplement No. 8 to Part 748 of the EAR. If such reviews are warranted, BIS will inform the PRC Ministry of Commerce.

Since August 21, 2001, the Export Administration Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 CFR, 2001 Comp., p. 783 (2002)), as extended most recently by the Notice of August 13, 2009 (74 FR 41325 (August 14, 2009)), has continued the EAR in effect under the International Emergency Economic Powers Act. BIS continues to carry out the provisions of the Act, as appropriate and to the extent permitted by law, pursuant to Executive Order 13222.

Rulemaking Requirements

1. This final rule has been determined to be not significant for the purposes of Executive Order 12866.
2. Notwithstanding any other provisions of law, no person is required to respond to nor be subject to a penalty for failure to comply with a collection of information, subject to the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) (PRA), unless that collection of information displays a currently valid Office of Management and Budget (OMB) Control Number. This rule involves collections previously approved by the OMB under control number 0694-0088, "Multi-Purpose Application," which carries a burden hour estimate of 58 minutes to prepare and submit form BIS-748; and for recordkeeping, reporting and review

requirements in connection with Authorization Validated End-User, which carries an estimated burden of 30 minutes per submission. This rule is expected to result in a decrease in license applications submitted to BIS. Total burden hours associated with the Paperwork Reduction Act and Office of Management and Budget control number 0694-0088 are not expected to increase significantly as a result of this rule.

3. This rule does not contain policies with Federalism implications as that term is defined under Executive Order 13132.

4. Pursuant to 5 U.S.C. 553(a)(1), notice of proposed rulemaking, the opportunity for public participation and a delay in effective date are inapplicable because this regulation involves a military and foreign affairs function of the United States. Further, no other law requires that a notice of proposed rulemaking and an opportunity for public comment be given for this final rule. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule under the Administrative Procedure Act or by any other law, the analytical requirements of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.) are not applicable. Therefore, this rule is issued in final form. Although there is no formal comment period, public comments on this regulation are welcome on a continuing basis. Comments should be submitted to Sheila Quarterman, Regulatory Policy Division, Bureau of Industry and Security, U.S. Department of Commerce, 14th Street & Pennsylvania Avenue, NW, Room 2705, Washington, DC 20230.

List of Subjects in 15 CFR Part 748

Administrative practice and procedure, Exports, Reporting and recordkeeping requirements.

Accordingly, part 748 of the Export Administrative Regulations (15 CFR Parts 730 - 774) is amended as follows:

PART 748 - [AMENDED]

1. The authority citation for 15 CFR Part 748 continues to read as follows:

Authority: 50 U.S.C. app. 2401 et seq.; 50 U.S.C. 1701 et seq.; E.O. 13026, 61 FR 58767, 3 CFR, 1996 Comp., p. 228; E.O. 13222, 66 FR 44025, 3 CFR, 2001 Comp., p. 783; Notice of August 13, 2009, 74 FR 41325 (August 14, 2009).

2. Supplement No. 7 to Part 748 is amended by adding one entry for "China (People's Republic of)" in alphabetical order to read as follows:

SUPPLEMENT NO.7 TO PART 748- AUTHORIZATION VALIDATED END-USER (VEU);
LIST OF VALIDATED END-USERS, RESPECTIVE ITEMS ELIGIBLE FOR EXPORT,
REEXPORT AND TRANSFER AND ELIGIBLE DESTINATIONS

Country	Validated End-User	Eligible Items (By ECCN)	Eligible Destination
China (People's Republic of)	Advanced Micro Devices China, Inc.	3D002, 3D003, 3E001 (as it applies to "technology" for items classified under 3B001, 3B002, 3C002 and 3C004), 3E002, 3E003.e (limited to the "development" and "production" of integrated circuits for commercial applications), 4D001, 4D002, 4D003 and 4E001 (applicable to the "development" of products under ECCN 4A003)	<p>AMD Technologies (China) Co., Ltd No. 88, Su Tong Road, Suzhou, China 215021</p> <p>Advanced Micro Devices (Shanghai) Co., Ltd. Riverfront Harbor, Building 48, Zhangjiang Hi-Tech Park 1387 Zhangdong Rd., Pudong, Shanghai, 201203</p> <p>AMD Technology Development (Beijing) Co., Ltd. 18F, North Building Raycom Infotech Park Tower C, No. 2 Science Institute South Rd., Zhong Guan Cun, Haidian District, Beijing, China 100190</p>
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DATED:

Kevin J. Wolf
Assistant Secretary
for Export Administration

